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AZ CORP COMMISSION
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

DEC 02 2013

DOCKETED BY

In the matter of:

BRIAN C. HAGEMAN

Respondent.

DOCKET NO. S-20896A-13-0378

ANSWER

COMES NOW the Respondent Brian C. Hageman in answering the allegations of the Arizona Corporation Securities Division DOCKET NO S-20896A-13-0378 JURISDICTION, RESPONDENTS, FACTS, VIOLATIONS and REQUESTED RELIEF on file herein, affirms, denies and alleges as follows:

1 Respondent Brian C. Hageman presents this ANSWER for Brian C.
2 Hageman, an individual. ANSWERS for other Respondents will come on
3 separate ANSWERS.
4

5 Brian C. Hageman denies any violation of A.R.S 44-1999 and
6 affirms compliance with all A.R.S. Securities Act Rules.
7

8 Answering Section I. JURISDICTION, Respondent affirms
9 jurisdiction.
10

11 Answering Section II. RESPONDENTS paragraph 2. Respondent Brian
12 C. Hageman denies acting in an individual capacity. Respondent Brian
13 C. Hageman acted as an Officer of the Corporations Deluge, Inc. and
14 Hydrotherm Power Corporation. Hageman is not required to be registered
15 by the Commission as a securities salesman or dealer. Also Respondent
16 Brian C. Hageman is not responsible for debts of the corporations as
17 per Arizona Supreme Court Justice The Honorable Michael Gordon in
18 Marchetti v Deluge.
19

20 Answering paragraphs 3. and 4. by other respondents.
21

22 Answering Paragraph 5. Respondent affirms all facts.
23

24 Answering paragraph 6. Respondents will Answer "FACTS" presented
25 separated by each Respondent because each entity is unique.
26
27

1 Answering Section III. FACTS Paragraph 7. Respondent Brian C.
2 Hageman denies that securities in Deluge and Hydrotherm were sold at
3 all relevant times. Respondent also denies the Deluge and Hydrotherm
4 are in the same business. Also to be clear, Hydrotherm is the majority
5 shareholder in Deluge, not a "parent" as a corporate structure.

6
7 Answering Paragraph 8. Respondent affirms all facts.

8
9 Answering Paragraph 9. - 22. To be answered by other Respondents.

10
11 Answering to Paragraph 23. Respondent denies all allegations.
12 Shareholder loans are an acceptable accounting tool. The shareholder
13 loan accounting is within Hydrotherm only. When the shareholder loan
14 program was set up in 1995 the business accounting standards required
15 entries in to ledgers and accounts. HAGEMAN is the largest shareholder
16 in HYDROTHERM and is owed the largest amount of money from HYDROTHERM.

17
18 Answering Paragraph 24. and 25. To be answered by other
19 Respondents.

20
21 Answering to Section IV. VIOLATION OF A.R.S. 44-1841 (Offer or
22 Sale of Unregistered Securities) paragraphs 26, 27, 28 Respondent
23 denies all allegations. Respondent HAGEMAN served as an officer of
24 the corporations and sold securities only in compliance with Federal
25 and State regulations.

26
27 Answering Section V. VIOLATION OF A.R.S. 44-1842 (Transactions by
28 Unregistered Dealers or Salesmen) paragraphs 29. and 30. Respondent

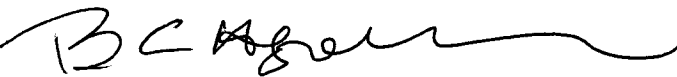
1 HAGEMAN denies all allegations. HAGEMAN served as an officer of the
2 corporations and was not required to register as a stock broker,
3 dealer or salesman.

4
5 Answering Section VI. VIOLATION OF A.R.S. 44-1991 (Fraud in
6 Connection with the Offer or Sale of Securities) paragraphs 31, 31a,
7 31b, 31c and paragraph 32. Respondent denies all allegations.
8 Respondent followed rules and always remained in compliance with
9 Federal and State Securities rules.

10
11 Answering paragraph 33. Respondent denies all allegations

12
13 Answering to Section VII. REQUESTED RELIEF paragraphs 1, 2, 3, 4
14 Respondent denies all allegations in these and paragraphs above and
15 asks that no relief is required.

16
17 Dated this 29th day of November, 2013

18
19 

20 Brian C. Hageman
21 18832 N. 95TH Street
22 Scottsdale, AZ 85255
23 Respondent In Pro Per